

STATEMENT OF CREDIT DENIAL, TERMINATION, OR CHANGE

Applicant(s): (Type Full Name and Address)

Description of Account, Transaction or Requested Credit:

Description of Action Taken:

Date: 10/14/2008

PART I. Principal reason(s) for credit denial, termination or other action taken concerning credit.

THIS SECTION MUST BE COMPLETED IN ALL INSTANCES.

A. CREDIT

- No Credit File
Insufficient Number of Credit References Provided
Insufficient Credit Files
Limited Credit Experience
Unable to Verify Credit References
Garnishment, Attachment, Foreclosure, Collection Action or judgement
Judgment Repossession or Suit
Excessive Obligations in Relation to Income
Unacceptable Payment Record on Previous Mortgage
Lack of Cash Reserves
Delinquent Past or Present Credit Obligations with Others
Bankruptcy Past or Present
Unacceptable Type of Credit References Provided
Poor Credit Performance with Us

B. EMPLOYMENT STATUS

- Unable to Verify Employment
Length of Employment
Temporary or Irregular Employment

C. INCOME

- Insufficient Income for Amount of Credit Requested
Unable to Verify Income
Excessive Obligations in Relation to Income

D. RESIDENCY

- Temporary Residence
Length of Residence
Unable to Verify Residence

E. INSURANCE, GUARANTY or PURCHASE DENIED BY:

- Department of Housing and Urban Development
Department of Veterans Affairs
Federal National Mortgage Association
Federal Home Loan Mortgage Corporation

F. OTHER

- Insufficient Funds to Close the loan
Credit Application Incomplete
Value or Type of Collateral not Sufficient
Unacceptable Property
Insufficient Data - Property
Unacceptable Appraisal
Unacceptable Leasehold Estate
We do not grant credit to any applicant on the terms and conditions you have requested.
Other, specify:

You have the right to a copy of the appraisal report used in connection with your application for credit. If you wish a copy, please write to us at the mailing address we have provided. We must hear from you not later than 90 days after we notify you about the action taken on your credit application or you withdraw your application.

PART II. DISCLOSURE OF USE OF INFORMATION OBTAINED FROM AN OUTSIDE SOURCE. This section should be completed if the credit decision was based in whole or in part on information that has been obtained from an outside source.

- Our credit decision was based in whole or in part on information obtained in a report from the consumer reporting agency listed below. You have a right under the Fair Credit Reporting Act to know the information contained in your credit file at the consumer reporting agency. The reporting agency played no part in our decision and is unable to supply specific reasons why we have denied credit to you. You also have a right to a free copy of your report from the reporting agency, if you request it no later than 60 days after you receive this notice. In addition, if you find that any information contained in the report you receive is inaccurate or incomplete, you have the right to dispute the matter with the reporting agency.

Name
Address:

[Toll-Free]
Telephone Number:

- Our credit decision was based in whole or in part on information obtained from an affiliate or from an outside source other than a consumer reporting agency. Under the Fair Credit Reporting Act, you have the right to make a written request, no later than 60 days after you receive this notice, for disclosure of the nature of this information.

If you have any questions regarding this notice, you should contact:

Name: American Freedom Group, INC.
Address: DBA American Freedom Mortgage
2731 Wetmore, Suite 305
Everett, WA 98201
Telephone Number: (425) 212-5920

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The federal agency that administers compliance with this law concerning this creditor is the

Federal Trade Commission
6th and Pennsylvania Avenue, N.W.
Washington, DC 20580
Phone: 202-326-2222

Should you have any additional information which might assist us in evaluating your credit worthiness, please let us know. Thank you for applying.

(Lender/Broker) American Freedom Group, INC.
DBA American Freedom Mortgage
2731 Wetmore, Suite 305
Everett, WA 98201
(425) 212-5920

Notice: [] Mailed Date: 10/14/2008
[] Delivered

By: _____

NOTICE OF ACTION TAKEN AND STATEMENT OF REASONS

Statement of Credit Denial, Termination, or Change

Date: 10/14/2008

Applicant's Name: _____

Applicant's Address: _____

Description of Account, Transaction, or Requested Credit:

Description of Action Taken:

Part I -- Principal Reason(s) for Credit Denial, Termination, or other Action Taken Concerning Credit. This section must be completed in all instances.

- Credit application incomplete
- Insufficient Number of credit references provided
- Unacceptable type of credit references provided
- Unable to verify credit references
- Temporary or irregular employment
- Unable to verify employment
- Length of employment
- Income insufficient for amount of credit requested
- Excessive obligations in relation to income
- Unable to verify income
- Length of residence
- Temporary residence
- Unable to verify residence
- No credit file
- Limited credit experience
- Poor credit performance with us
- Delinquent past or present credit obligations with others
- Garnishment, attachment, foreclosure, collection action or judgment
- Bankruptcy
- Value or type of collateral not sufficient
- Other, specify

Part II -- Disclosure of use of information obtained from an outside source. This section should be completed if the credit decision was based in whole or in part on information that has been obtained from an outside source.

Our credit decision was based in whole or in part on information obtained in a report from the consumer reporting agency listed below. You have a right under the Fair Credit Reporting Act to know the information contained in your credit file at the consumer reporting agency. The reporting agency played no part in our decision and is unable to supply specific reasons why we have denied credit to you. You also have the right to a free copy of your report from the reporting agency, if you request it no later than 60 days after you receive this notice. In addition, if you find that any information contained in the report you received is inaccurate or incomplete, you have the right to dispute the matter with the reporting agency.

Name: _____

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